Basic information

1997/2115(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Expert group's final report on the European systems of worker involvement, Davignon report **Subject** 4.15.10 Worker information, participation, trade unions, works councils	

Key players

European Parliament

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	
JURI Legal Affairs, Citizens' Rights	COT Jean-Pierre (PSE)	24/09/1997

Council of the European Union

Council configuration	Meetings	Date
Social Affairs	2030	1997-10-07
Social Affairs	2015	1997-06-27

Key events

Date	Event	Reference	Summary
21/05/1997	Non-legislative basic document published	N4-0455/1997	Summary
27/06/1997	Resolution/conclusions adopted by Council		
19/09/1997	Committee referral announced in Parliament		
07/10/1997	Debate in Council		
04/11/1997	Vote in committee		Summary
04/11/1997	Committee report tabled for plenary	A4-0354/1997	
18/11/1997	Debate in Parliament		
19/11/1997	End of procedure in Parliament		
08/12/1997	Final act published in Official Journal		

Technical information

Procedure reference	1997/2115(COS)

Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148 Rules of Procedure EP 050
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/4/08959

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0354/1997 OJ C 371 08.12.1997, p. 0004	04/11/1997	
Text adopted by Parliament, single reading		T4-0562/1997 OJ C 371 08.12.1997, p. 0048-0083	19/11/1997	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	N4-0455/1997	21/05/1997	Summary

Expert group's final report on the European systems of worker involvement, Davignon report

1997/2115(COS) - 19/11/1997 - Text adopted by Parliament, single reading

In adopting the report by Mr Winfried MENRAD (PPE, D) on European systems of worker involvement, the European Parliament welcomes the ideas put forward by the Davignon Group and the Luxembourg Presidency. However, it notes that some fundamental questions, particularly regarding the role of the European works council, have been left in abeyance. It again stresses the importance of adopting a European company statute containing rules on the right of workers and their unions to information, consultation and participation and feels that these rules should not be limited to European Companies, but should also apply to European cooperative societies, mutual societies and associations. Parliament reaffirms the principles laid down in the 1994 Directive on European works councils, namely flexibility, negotiated solutions and minimum standards in the event of a breakdown of negotiations, and calls for these principles to apply also to European Companies. It is convinced that only flexibility and negotiated solutions will make it possible to accommodate the specific structures of enterprises and traditions of worker participation in the Member States. However, the adoption of a European statute must not, under any circumstances, result in enterprises being able to avoid worker participation in a European Company's supervisory board or other decision-making bodies. So as to close off this escape route, Parliament firmly supports the idea of prohibiting the transformation of a national company into a European Company. The information and consultation obligations of employers and participation rights of workers should be imposed and accompanied by effective checks, as well as appropriate penalties in the event of failure to comply. Parliament fully supports the idea of creating a transnational body representing workers which is tailored to the specific needs of the European Company and which will take on the functions of a European works council even if the thresholds (size of undertaking, etc.) laid down in the EWC Directive are not reached. It also demands that all rights of trade unions established under national worker participation legislation and practices be maintained in respect of European Companies. Finally, it requests the Luxembourg Presidency to bring about political agreement in this field by the end of 1997, taking account of the opinions of Parliament, the European social partners and the Economic and Social Committee.

Expert group's final report on the European systems of worker involvement, Davignon report

1997/2115(COS) - 21/05/1997 - Non-legislative basic document

OBJECTIVE: presentation of the final report of the Davignon Group, which sets out a progress-oriented approach to the European Company Statute, including a proposal for a set of general rules to serve as a basis for further negotiations between Member States on this subject. SUBSTANCE: since 1970 the Community has been working on a European Company Statute. However, the various texts proposed to date have proved abortive, owing to the failure to reach a compromise on the subject of worker participation. After comparing the national systems of worker consultation in the 15 Member States, the Davignon Group ruled out the idea of general harmonization, as there were too many differences. The solution envisaged is based on negotiations between management and workers' representatives in each individual case. Such negotiations would be compulsory, although the parties would have complete freedom, and there would be no minimum conditions. However, in order to ensure that the two sides negotiate properly, there would be a cut-off point three months after approval of the establishing of the European company. This deadline could be extended by joint agreement between the parties, but the maximum period for negotiations to reach a conclusion would be one year. If no agreement were reached by the deadline, reference rules would then apply. The Davignon Group proposes 'minimum' provisions which would include: - information and consultation of workers: workers' representatives would be entitled to give an opinion on any question significantly affecting the affairs of the European Company, - participation: workers would be invited to participate in the management board and supervisory board of the European Company and would have the same rights and the same duties as the other members. The Group proposes that workers' representatives make up one fifth of the members of the management board or supervisory board, with a minimum of two members. These provisions will have to be supplemented by rules on the protection of workers' representatives, financial and physical resources, the right to consult experts, and the circulation and protection of the confidentiality of certain types of information. These rules will take precedence over national rules on the subject in the country in which the European Company is located and established. The reference rules will apply only to participation and to the trans-national dimension of information and consultation of workers in the European Company (the national dimension of information and consultation being covered by national rules).